

## California panel rejects new offshore oil drilling

By Noaki Schwartz

[Associated Press](#): SANTA BARBARA -- A state panel rejected a proposal Thursday that could have led to the first new oil drilling project off the California coast in 40 years.

The State Lands Commission voted against Plains Exploration & Production Co.'s request to expand drilling off Platform Irene in the Santa Barbara Channel.

Commission Executive Officer Paul Thayer said the project was effectively dead unless the oil company takes it to court or reapplies to the commission with a new proposal.

The proposal, which would have been worth billions of dollars, was announced last year with a landmark alliance between longtime anti-oil environmentalists and the oil company. The environmental groups signed a confidential agreement to lobby for the deal in exchange for promises from the Houston-based company, including billions in revenue for the state, thousands of acres of land and a commitment to end its local drilling by 2022.

"It's done. It's over," said Linda Krop, who negotiated the deal on behalf of the Environmental Defense Center, Get Oil Out! and the Citizens Planning Association of Santa Barbara County. "I'm going to be standing on our coast in nine years looking at these platforms, and they're still going to be operating."

Commission chairman Lt. Gov. John Garamendi said he was not convinced that the application was in the best interests of the state or that "the main benefit of this bargain is achievable and enforceable."

Some lawmakers have recently challenged the proposal. Garamendi had said U.S. House Speaker Nancy Pelosi, and other members of the California congressional delegation were concerned that approving a drilling proposal could undercut their efforts to reintroduce a federal

drilling moratorium that was lifted by the Bush administration.

Others, such as state Controller John Chiang, worried that the agreement between the environmentalists and oil company was confidential and that the public had not been able to scrutinize the documents.

Company representatives said they would be open to releasing the documents.

The commission's staff had recommended rejection, saying there was no guarantee that the company would shut down drilling operations. The staff's finding prompted two major environmental backers of the plan -- the Sierra Club and the Planning and Conservation League -- to send a letter to the commission this week saying their support was contingent on the terms being enforced.

The vote came a day after the 40th anniversary of a massive oil spill off Santa Barbara that coated miles of beaches and killed dolphins, seals and thousands of birds. The spill helped lead to the Clean Water Act and a moratorium on offshore drilling, galvanizing the modern environmental movement.

Plains Exploration has operations in California, Texas, Louisiana and the Gulf of Mexico.